



**MINERALS  
COUNCIL**  
OF AUSTRALIA

**INDIGENOUS RELATIONS**

**STRATEGIC FRAMEWORK**

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## 1. EXECUTIVE SUMMARY

The Australian minerals industry acknowledges and respects Indigenous Australians rights, interests, and special connection to land and waters in Australia, and fully supports the recognition and protection of those rights, interests and connections.

The Australian minerals industry seeks to ensure that their operations make a significant positive socio-economic contribution to the communities in which we operate. It is through direct community involvement and the creation of partnerships between companies and communities in areas such as jobs, training, health, education and essential infrastructure that companies can and do contribute the greatest value. Our ability to continue to positively contribute to sustainable development is dependent on many factors, none more so than our interaction with our neighbouring communities, particularly Indigenous communities.

Given sixty percent of minerals operations in Australia are neighbours with Indigenous communities, and Indigenous populations in remote regions are growing at nearly three times the national average, there are significant potential challenges and opportunities for both companies and communities. The most significant opportunities for mineral companies will be made through increasing recognition of the common ground existing between mineral companies operating in remote locations, and their neighbouring Indigenous communities seeking socio-economic development opportunities.

In the years immediate following the Mabo decision, interaction between mineral companies and Indigenous peoples and communities could be characterised as distrustful at best and completely adversarial at worst. However, in the immediate past years there has been a growing realisation of the very real improvements in relationships between companies and communities and the substantial on the ground mutually beneficial and sustainable outcomes.

A major contributor to the improved relationships is the willingness from both parties to sit down together, and negotiate in good faith. It is particularly noteworthy that:

- 1) many agreements are being reached irrespective of whether or not there is a native title claim or determination over the relevant area; and
- 2) the cross-cultural awareness that facilitates effective negotiations are built upon the strong interpersonal relationships between mineral company and Indigenous community representatives.

The minerals industry acknowledges that the future success of our industry is inextricably linked to creating new, and continuing to build upon the strong existing relationships established between companies and communities. The Minerals Council of Australia, in its capacity as the peak national body for the minerals industry is committed to working with key parties on all critical Indigenous relations matters. The Council undertakes many initiatives and participates in strategic activities in partnership with other policy bodies, land councils and Indigenous communities that are essential to the achievement of mutually beneficial, sustainable outcomes for the respective parties each represents, including:

- cross cultural awareness and capacity within industry; and
- capacity development within the Indigenous community.

## 2. INTRODUCTION

The purpose of this strategic framework is to provide a consistent, national platform for the Minerals Council of Australia representing minerals companies operating in Australia, in assisting the industry develop and maintain strong, positive, mutually beneficial relationships with Aboriginal and Torres Strait Islander peoples and communities.

The objective is to ensure that the Council's specific policies and activities relating to Indigenous relations promote the aspiration, further develop capacity and enhance activities of member companies, for mutually beneficial outcomes.

The Council recognises that minerals companies will, and do, have their own Indigenous relations strategies. This strategic framework is designed to provide a generic platform of good social practice such that it complements, if not enhances, individual companies' capacity, consistent with their own commercial objectives and recognising their autonomy.

This strategy is built on two fundamental principles, they are:

- 1) Respect for Aboriginal and Torres Strait Islander people, and recognition of their rights, interests, and special connection to land and waters in Australia; and
- 2) The significant common ground existing between mineral companies and Indigenous communities, and the potential for collaboration between companies and communities to achieve mutually beneficial outcomes that will contribute to the creation of sustainable regional economies in remote and rural areas of Australia.

In addition to the two fundamental principles that the strategy is built upon, the development of this strategy has also been guided by the following principles.

The Council recognises:

- the common law rights and interests of Indigenous Australians in land and waters in Australia;
- the right of Indigenous Australians to enjoy and practice their culture, and carry out their customs, on their own terms;
- the customs and culture of Indigenous Australians are different to those of non-Indigenous Australians; and
- the right, and desire, of Indigenous Australians to engage in the broader economy, and to establish vibrant and sustainable regional economies.

The Council commits to:

- facilitating greater understanding and awareness of Indigenous culture and custom within the Australian minerals industry;
- advocating the critical nature of ongoing and certain access to land for mineral companies;
- facilitating Indigenous peoples and communities engagement with mineral company operations, including the promotion of education and training, and opportunities for employment, business partnerships, contracting, joint ventures and equity arrangements;
- advocating a legislative framework that facilitates application for, and determinations of native title, that does not have unintended consequences.

## **2.1 Sustainable development, social stewardship and community relations**

The Australian minerals industry is committed to achieving the effective uptake and implementation of sustainable development into all levels of operations of mineral companies operating in Australia. Critical to achieving this is a strong focus on social stewardship and in particular, on our community relations performance.

The minerals industry currently makes a significant contribution to the pursuit of sustainable development, our ability to continue building upon these efforts is dependent on many factors, none more so than our interaction with our neighbouring communities, particularly Indigenous communities.

## **2.2 Indigenous communities**

Australia's Indigenous peoples make up 2.2% of Australia's population, the majority live in urban and rural environments, and approximately 25% live in remote communities. Typically Indigenous peoples are substantially disadvantaged in many areas, including health, education, life expectancy, income and victims of violence when compared with Australia's non-Indigenous peoples.

Opportunities for socio-economic development and independence are limited in many remote communities. This is enhanced by the poor delivery in essential service such as education, health, water and housing and the fact that in many communities English is their third or fourth language.

Sixty percent of minerals operations in Australia are neighbours with Indigenous communities. Clearly this means there are significant opportunities for mineral companies to make positive contributions to the socio-economic outcomes for (remote) Indigenous communities. Contributing to socio-economic outcomes for remote communities is not only a key part of the industry's policy for reasons of equity and regional sustainability, but is critical to the on-going effective operations of minerals companies through the proactive management of community risk.

## **2.3 Relationships between the minerals industry and Indigenous peoples**

Relationships between minerals companies and Indigenous communities have often been strained, reaching their lowest point in the years following the 1992 Mabo decision. However, due to much effort from representatives of the minerals industry and Indigenous communities there have been significant and widely acknowledged improvements in relationships in recent years.

There are many reasons for these improvements, the most significant among them is the increasing understanding and respect created through closer working relationships. This is a direct result of the recognition of the common interests existing between mineral companies looking to establish operations in remote locations, and remote Indigenous communities looking for economic development opportunities.

As Kado Muir commented in his statements on the tenth anniversary of the Mabo decision, "the improvements in the minerals industry in relation to Indigenous matters are nothing short of miraculous".

## **3. MINERALS INDUSTRY AND INDIGENOUS COMMUNITY RELATIONS**

Australian minerals companies create significant positive socio-economic contributions to the communities in which we operate and also to our neighbouring communities. In the majority, industry activities deliver value through jobs and training, enhancing health and education, and improving infrastructure for all people in those communities, including employees, residents, visitors and other stakeholders.

Much of this value is through direct community involvement and participation in company activities, and the creation of partnerships that deliver sustainable mutually beneficial outcomes. Industry acknowledges that our ability to continue to positively contribute to sustainable development is tied to our interaction with our neighbouring communities.

While industry seeks to contribute equitably to all communities, there are several factors that provide for industry to contribute more than most to Indigenous communities. Such factors include:

- Sixty percent of minerals operations in Australia have neighbouring Indigenous communities;
- Many remote Indigenous communities have poor public service delivery;

- Due to their remoteness there are few if any economic development opportunities for people living in these communities;
- The minerals industry is in many circumstances the only vehicle for socio-economic development for these communities.

This means that the development and maintenance of sustainable relationships with Indigenous communities is core business for minerals companies. There is significant overlap of the interests of mineral companies and Indigenous communities that provides fertile ground for continuing the process of recent years and building on the success to date. This strategy will assist in the identification of areas of common ground, and will facilitate the establishment of processes and mechanisms through which to create mutually agreed and sustainable outcomes for both parties.

There are many elements to the interaction between minerals companies and Indigenous peoples and communities in Australia, including cross cultural awareness, protection of Indigenous heritage, native title, access to land, education, training and employment. The Council considers that strong, respectful and mutually beneficial relationships with Indigenous peoples and communities are integral to the present and future operations of the Australian minerals industry.

### **3.1 Cross-cultural awareness and understanding**

Key to the development of any relationship or partnership is an in-depth understanding of your potential partner, in particular their needs, values and aspirations.

Indigenous Australian culture is the oldest continuing culture on the planet, and provides the parameters and meaning to an extremely rich, diverse and complex society. A deep understanding of this culture is likely beyond most non-Indigenous Australians, however to create mutually beneficial and sustainable relationships and partnerships, it is critical that minerals industry professionals have at a minimum a rudimentary understanding of Indigenous Australian culture.

Currently within the minerals industry many companies devote significant resources to ensuring employees develop an awareness and understanding of Indigenous culture, as well as improving Indigenous peoples' awareness and understanding of the minerals industry.

### **3.2 Agreements and partnerships**

There are now well over three hundred agreements between minerals companies and Indigenous communities throughout Australia. There are also many more partnerships, at both high-level strategic and operational levels. At the operational level most sites across Australia have established direct links with members of their local communities, through both education, training and employment programs, as well as contracting, joint venture and formal equity arrangements.

An example of a significant long-term strategic partnership is that between a major minerals company and Reconciliation Australia. This partnership is seen as a crucial step towards reconciliation. The purpose of the partnership is to improve awareness and understanding and build capacity in key governance areas such as management, transparency and accountability. A key focus of the partnership is good governance as a foundation for the sustainable operations of all companies, communities and organisations.

It is through the establishment of these agreements and partnerships that minerals companies are achieving improved outcomes in relation to access to resources and Indigenous communities are utilising the opportunities created through mineral developments to enhance their socio-economic circumstances. The platform for establishing these agreements is found in:

1. A realisation by industry professionals that the majority of Indigenous communities, in principle do not oppose exploration or mineral development; and

2. That most Indigenous people see the opportunities provided by exploration and mineral development as a potential route away from welfare dependency towards economic independence.

### **3.3 Remote and regional socio-economic development**

Stable environments and lives are created through equitable socio-economic opportunities and outcomes. It is highly evident that the vast majority of remote Indigenous communities are considerably disadvantaged, resulting in the significant long-term deterioration of social wellbeing. The circumstances in the Northern Territory were highlighted by the Hon. Minister John Ah Kit in late 2002, when he said “you would be hard pressed to find a single functioning Indigenous community in the Territory”.

In accordance with industry’s aims of making a significant positive socio-economic contribution to the communities in which we operate, we are uniquely placed to make *the* most significant contribution to the socio-economic development of remote Indigenous communities. Due to the commodity, the majority of remote mineral operations are going to be inter-generational operations. This poses significant challenges and opportunities for both companies and neighbouring communities.

## **4. MINERALS COUNCIL OF AUSTRALIA INITIATIVES AND PARTNERSHIPS**

The minerals industry acknowledges that the future success of our industry is inextricably linked to creating new, and continuing to build upon the strong existing relationships established between companies and communities. The Minerals Council of Australia, in its capacity as the peak national body for the minerals industry is committed to working with all parties on all key Indigenous relations matters to deliver mutually beneficial and sustainable outcomes for both parties.

The Council undertakes many initiatives and participates in many partnerships in this regard and considers it has a critical role to play in two key areas, these are:

1. Building capacity within the minerals industry to establish and maintain sustainable relationships with Indigenous communities. The Council will do this by focusing on value add initiatives such as promoting greater awareness and understanding of Aboriginal and Torres Strait Islander culture and custom, and building capacity within industry to negotiate agreements with Indigenous communities.
2. Facilitating enhanced awareness and understanding of the minerals industry by Indigenous peoples and communities. The Council will do this by focusing on value add initiatives such as creating enhanced awareness and understanding of the global business environment in which companies operate and the socio-economic development opportunities created by mining, particularly in remote communities.